United Nations A/C.5/62/SR.3

General Assembly
Sixty-second session

Official Records

Distr.: General
23 October 2007

Original: English

Fifth Committee

Summary record of the 3rd meeting
Held at Headquarters, New York, on Tuesday, 9 October 2007, at 10 a.m.

Chairman: Mr. Ali ..... (Malaysia)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Saha

Contents

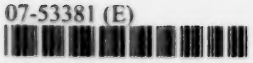
Agenda item 132: Scale of assessments for the apportionment of the expenses of the United Nations (*continued*)

Agenda item 134: Joint Inspection Unit

This record is subject to correction. Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of publication* to the Chief of the Official Records Editing Section, room DC2-750, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

07-53381 (E)



The meeting was called to order at 10.10 a.m.

Agenda item 132: Scale of assessments for the apportionment of the expenses of the United Nations (*continued*) (A/62/11 and A/62/70)

1. **Mr. Monayair** (Kuwait) stressed the vital role played by the scale of assessments in guaranteeing the United Nations a reliable source of funding. The capacity to pay was the main criterion for determining the scale of assessments for the contributions of Member States. The methodology used to determine the capacity to pay must continue to evolve if the Organization was to achieve full justice and transparency in the determination of the assessments. However, any increase in the assessments of the developing countries which entailed consequent decrease in those of the developed countries was unacceptable.

2. He supported the system of multi-year payment plans as an important measure to assist Member States in meeting their commitments. He also supported the granting of exemptions under Article 19 of the Charter to the Central African Republic, the Comoros, Guinea-Bissau, Liberia, Sao Tome and Principe, Somalia and Tajikistan and the maintenance of their voting rights until the end of the sixty-second session.

3. Member States must show the political will to help the United Nations to meet its goals. His delegation supported the vital work of the Organization and would continue to meet its financial obligations in a timely manner.

4. **Mr. Golovinov** (Russian Federation) said that the fair apportionment of the expenses of the Organization was the exclusive prerogative of the General Assembly, which had also established in a series of resolutions the central requirement that assessments should be paid in full, on time and without conditions. In his delegation's view, the Organization's financial stability and, therefore, the successful implementation of its global objectives, depended on the full compliance of Member States with that obligation.

5. The principle of capacity to pay was vital; the Organization was the only world body in which each State had the right to vote regardless of its contribution to the budget. His delegation was of the view that the current methodology was the result of careful work by the Member States throughout the Organization's history and that it did not require any substantial change during the next two years. It noted with satisfaction the progress achieved by the Committee on Contributions in considering such elements of a future scale of assessments as income measure, conversion rates and criteria for determining the need to replace market exchange rates and to use price-adjusted rates of exchange and it supported the corresponding recommendations.

6. His delegation had taken note of the intent of the Committee on Contributions to continue reviewing the elements of the methodology for the compilation of the scale of assessments at its sixty-eighth session and to present a comprehensive report on the results to the Fifth Committee at its sixty-third session, pursuant to General Assembly resolution 61/237. A discussion on methodology during the current session would be premature and unproductive.

7. Lastly, his delegation had taken note of chapter V of the report of the Committee on Contributions (A/62/11) regarding Member States which were in arrears, and it supported the decision to permit the States concerned to retain their voting rights during the current session.

8. **Mr. Matsunaga** (Japan) said that his delegation supported the decision of the Committee on Contributions to allow the seven Member States which were unable to meet their commitments to avoid the application of Article 19 of the Charter. It also supported the use of the multi-year payment plans and strongly urged States that had not yet submitted their plans to do so at the earliest possible date.

9. **Mr. Griever** (Chairman of the Committee on Contributions) said that the comments of the Member States would be duly conveyed to the Committee on Contributions and fully taken into account. The Committee was conducting an in-depth study of the methodology for the preparation of the scale of assessments, in conjunction with the Secretariat and the Statistics Division, and would be pleased to update the Committee during its informal consultations.

Agenda item 134: Joint Inspection Unit (A/62/34 (Chapter I))

10. **Ms. Wynes** (Chairperson of the Joint Inspection Unit), introducing the report of the Joint Inspection Unit (JIU) for 2006 (A/62/34), said that, in 2006, JIU had contributed to intensive discussions on governance and oversight issues in the United Nations system,

during which it had re-emphasized that oversight was ultimately a function of Member States that went far beyond internal audit. The Unit was pleased that the General Assembly continued to reaffirm its unique position as the system-wide provider of external oversight services.

11. In 2006, JIU had focused on improving its working methods and tools. Reports had been made more reader-friendly and concise; an electronic documentation and information centre containing hyperlinks to key documents from each participating organization had been created; and management assessments identifying potentially critical issues had been completed for most organizations.

12. The Unit had issued eight reports and notes in 2006 and expected to complete at least 13 in 2007. Four of the reports and notes issued in 2006 were system-wide, while the other four concerned the United Nations alone. In its 2007 programme of work, the Unit had shifted its emphasis towards topics that went beyond a single organization in order to make full use of the unique potential inherent in its system-wide mandate.

13. Because of the progress of reviews and the timely issuance of reports were hindered by a lack of research staff at the Professional level, the Unit had proposed that two existing General Service posts should be upgraded to Research Officer posts at the P-2 and P-3 levels. Unfortunately, it had been unable to convince the Advisory Committee on Administrative and Budgetary Questions (ACABQ) of the validity of that proposal, which would be cost-neutral in the biennium 2008-2009. The Unit welcomed the Fifth Committee's support for the proposal during the previous session, and hoped that it would be able to count on that support in the future.

14. As requested by the General Assembly, JIU had continued to strengthen follow-up on the implementation of recommendations. Participating organizations were requested to provide an annual update on the acceptance, implementation and impact of JIU recommendations. The redevelopment of the follow-up database had greatly facilitated the input and analysis of information received from those organizations. Acceptance rates of recommendations in single-agency reports issued in 2004 and 2005 had reached 72 per cent by the end of 2006 and it was hoped that the rate for 2007 would be significantly higher. In the case of system-wide reports, the acceptance rate after one year was much lower, owing to the fact that it often took a long time for reports to reach the organizations' governing bodies. In many instances, governing bodies had simply taken note of the recommendations without indicating whether they had actually endorsed them.

15. The Unit continued to work closely with the Board of Auditors and the Office of Internal Oversight Services (OIOS). The three bodies had begun to hold interim tripartite meetings to allow for a timely exchange of information, and regularly exchanged notes when conducting reviews, in order to make maximum use of the knowledge and expertise available within the United Nations oversight community.

16. **Mr. Hussain** (Pakistan), speaking on behalf of the Group of 77 and China, said that the Group was pleased to note the commitment of JIU to bring about the necessary internal reforms, in compliance with the relevant General Assembly resolutions. It particularly appreciated the adoption of the harmonized report format, which should make reports more reader-friendly and ensure compliance with the standard requirements for official documents.

17. The rate of acceptance of JIU recommendations in both single-agency and system-wide reports was highly encouraging. The Group appreciated the action taken by the Unit to strengthen its follow-up system and hoped that the matrix system would improve implementation. It urged all participating organizations to provide the information requested by JIU regarding the status of implementation of its recommendations. The Group also welcomed the management assessments and the table on the impact of the recommendations contained in paragraph 43 of the report. It hoped that the data collection could be improved so that meaningful conclusions could be drawn.

18. With respect to expected savings, the Group was pleased to note that the Unit had estimated that a merger between the United Nations Office for Project Services procurement service and the Inter-Agency Procurement Services Office could result in recurrent savings, in terms of reduced staff and non-staff costs, of at least $1.6 million per biennium. It was also pleased to note the ongoing cooperation between JIU, OIOS and the Board of Auditors. Further strengthening of such cooperation was essential in order to avoid

overlap and duplication and to ensure efficient use of resources.

19. The Group welcomed the availability of the Unit's documents in six languages on its websites and looked forward to the establishment of an electronic documentation and information centre.

20. The Group noted with concern that none of the Research Officers were directly assigned to Inspectors and fully supported the Unit's request that two General Service posts should be upgraded to Research Officer posts.

21. Lastly, the Group also noted with concern the difficulties encountered by JIU Inspectors in obtaining visas. It strongly encouraged the authorities concerned to issue visas in a timely manner, and stressed that failure to do so deliberately undermined the authority of the General Assembly.

22. **Mr. Hillman** (United States of America) said that his delegation welcomed the reorganization of the Unit's work schedule, in compliance with General Assembly resolution 61/238. It was pleased that the new approach had resulted in better coordination and improved information-sharing with other oversight bodies.

23. Although the 72 per cent acceptance rate of JIU recommendations made in single-agency reports in 2004 and 2005 was satisfactory, it was disappointing that only 30 per cent of those recommendations had actually been implemented. Although he noted that 59 per cent of the remaining recommendations were in the process of being implemented, he wished to know why it had taken so long for management and the governing boards of the organizations concerned to act on the Unit's recommendations. He would also be interested to know why 45 per cent of JIU recommendations made in system-wide reports in 2004 and 2005 were still under consideration by the governing bodies and why it had taken two or more years for those organizations to act on recommendations designed to achieve greater efficiency and more effective delivery of programme outputs. As a member of many of the governing boards, the United States planned to address the need to take prompt action at upcoming meetings.

24. His delegation was pleased that JIU planned to conduct four system-wide reviews in 2007 and encouraged the Unit to continue focusing on the preparation of reports that would benefit as broad a range of institutions as possible within the Organization. His delegation also welcomed the Unit's ongoing efforts to increase coordination and improve information-sharing with other oversight bodies.

25. He would appreciate further clarification on the conversion of the two General Service posts to Research Officer posts and on the Unit's efforts to recruit an Investigation and Inspection Officer. Specifically, he would like to know how a JIU investigation function would complement and/or differ from investigations currently being carried out by internal oversight functions within the United Nations system.

26. **Mr. Golovinov** (Russian Federation) stressed that, as the sole external oversight body in the United Nations system, JIU must be constantly and actively involved in the search for ways to improve management within the United Nations system, particularly with respect to possible system-wide decisions that would ensure the efficient use of resources. His delegation attached great importance to increasing the effectiveness of JIU and expected the Unit to take an aggressive approach to identifying the weak links in the management of the organizations.

27. Referring to the considerable volume of work conducted by the Steering Committee on the Comprehensive Review of Governance and Oversight within the United Nations, its Funds, Programmes and Specialized Agencies, he said that his delegation would recommend that a review of the Secretariat should be undertaken in 2008.

28. The Unit had produced a largely positive report on staff mobility in the United Nations (JIU/REP/2006/7), but the report had been issued after the General Assembly had taken the relevant decisions. Had the report been issued earlier, the decisions of Member States might have been different.

29. **Ms. Wynes** (Chairperson of the Joint Inspection Unit), responding to the points that had been raised, said that governing boards often took a long time to act on the Unit's recommendations because they had not developed the necessary systems and strategies to do so. It should also be noted that different governing boards had different timetables for considering reviews. With respect to the implementation of recommendations designed to achieve greater efficiency and more effective delivery of programme outputs, the organizations concerned had taken two or

more years to act because their governing boards usually dealt with JIU reports only once a year; again, different organizations usually held such meetings at different times of the year. She was pleased to learn that the United States intended to take up the issue with the governing boards of which it was a member.

30. She clarified that the Unit had requested the conversion of two General Service posts to two Research Officer posts, one at the P-2 level and one at the P-3 level. She was pleased that the request had received the support of the United Nations Secretariat. In that regard, she drew attention to a memorandum dated 4 September 2007 that JIU had sent to the Director of the Programme Planning and Budget Division after the Advisory Committee had recommended against the proposed conversion. The memorandum stated that "the proposed changes would create a basis for assigning one Research Officer to one Inspector and one project at a time, thus fostering cohesion within a given project team, simplifying reporting lines, strengthening accountability, and avoiding disruption of one project by another project with conflicting timelines. The proposed increase of research capacity at the professional level was also needed to cope with tasks such as continuous development and enhancement of professional practices, research and analysis in connection with the preparation of the annual programme of work and further strengthening the follow-up on recommendations, tasks for which many other oversight bodies had dedicated resources". The Unit attached great importance to the conversion of the posts and appreciated the support expressed by the representative of Pakistan, on behalf of the Group of 77 and China.

31. In reply to the question raised by the representative of the United States regarding JIU investigations, she said that, in its report on oversight lacunae in the United Nations system (JIU/REP/2006/2), JIU had expressed its intent to focus on the lacunae in the smaller agencies that had no investigation capacity. The Unit had also planned to conduct investigations similar to the one recently carried out by the Internal Audit and Oversight Division at the World Intellectual Property Organization; it had not yet done so, owing to a lack of resources and capacity.

The meeting rose at 10.55 a.m.